

REQUEST FOR COUNCIL ACTION

SUBJECT: Electronic Bill Payment System. The City is always looking for additional ways for the customers to pay their utility bills. The Finance Department requested and received City Council approval to add an electronic bill payment system to our payment receipting methods.

SUMMARY: Direct staff to complete the contract with Billtrust.

**FISCAL
IMPACT:** The cost will depend on the level of use. However we believe in the beginning it will be under \$1,000 per month.

STAFF RECOMMENDATION:

Authorized the Mayor to sign the Billtrust Complete Billing Service Agreement.

MOTION RECOMMENDED:

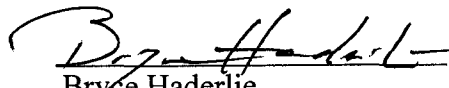
"I move to authorize the Mayor to sign the Billtrust Complete Billing Service Agreement."

Roll Call vote required

Prepared by:


Ryan Bradshaw
Finance Manager

Recommended by:


Bryce Haderlie
Interim City Manager

BACKGROUND DISCUSSION:

During the FY 2014-2015 budget process, Finance proposed adding an electronic bill payment system to the current utility payment methods offered by the City. The City Council gave us the approval to add this service through the budget approval.

The City issued an RFP and the committee received seven responses, and has reviewed them, and they have been rated. The committee's recommendation is to move forward with Billtrust

Billtrust CompleteBilling Service Agreement

This CompleteBilling Service Agreement ("Agreement") is made as of the latest day signed by the parties, by and between The City of West Jordan ("Customer") having its principal place of business at 8000 S. Redwood Road West Jordan Utah 84088 and Factor Systems, Inc. dba Billtrust ("Billtrust"), having its principal place of business at 100 American Metro Blvd, Suite 150, Hamilton, NJ 08619.

Term: This Agreement is for one (1) year and will automatically renew for one-year periods. Billtrust may terminate this Agreement only by giving written notice to Customer at least sixty (60) days prior to the end of the current term.

Unconditional Guarantee: If at any time Customer is dissatisfied with the performance of Billtrust or for any other reason wishes to cease using the Billtrust CompleteBilling Service, Customer may terminate this Agreement by providing sixty (60) days written notice to Billtrust.

Pricing: The pricing in Attachment 1 is guaranteed not to change for one year from the date of this Agreement. Any price increases in subsequent years will not exceed 5% per year and Billtrust will notify Customer in writing of such increases sixty (60) days in advance of their effective date. The pricing in this Agreement is based on the bills per month listed in Attachment 1 (bills are defined as any invoices, statements, credit memos, or late/service charge notices delivered by Billtrust in any paper or electronic format). Billtrust reserves the right to change this pricing by more than 5% per year if actual volumes are 10% or more below this volume.

Distribution Schedule: Billtrust guarantees that for all scheduled mailings that billing files are delivered electronically to Billtrust and approved by Customer (if applicable) by 11:59 PM Eastern time Sunday to Thursday and by 9:00 PM Eastern time on Fridays will be processed and delivered to the post office, web, email or fax the next day, Monday through Saturday (except postal holidays). Delivery to the post office on Saturdays is subject to regional post office availability. Billtrust will provide Customer with an emailed report on the same day that delivery has been performed, detailing the number of bills sent by each delivery method.

Print and Mail Facilities: Billtrust will print and mail paper bills from its facilities currently located in NJ, IL and CA, and Billtrust certified print partner facilities currently located in TX, OR, FL, Toronto and Vancouver. The future locations of any print and mail facilities are subject to change at the sole discretion of the management of Billtrust. Customer's requirements for processing such as physical inserts and custom or preprinted materials will restrict Customer's ability to utilize certain facilities.

Privacy: Billtrust respects Customer's right to privacy and has a strict policy of never disclosing our Customers' personal information. For details about our privacy policy, please see our website at www.billtrust.com.

Confidentiality: Billtrust will not disclose any information or data submitted by Customer to any third party without the Customer's prior permission, unless Billtrust has a good faith belief that such action is necessary to (a) conform to legal requirements or comply with legal process or (b) protect and defend the rights or property of Billtrust. Billtrust will notify Customer in writing prior to the release of any information. Customer will not disclose any information or data submitted by Billtrust to any third party without Billtrust's prior permission, including but not limited to the terms of this contract and trade or other proprietary secrets or technology related to Billtrust's services.

Security: Billtrust employs numerous security measures to protect Customer's personally identifiable information, including data encryption, SSL (Secure Socket Layer) encryption for all web transactions, shredding of confidential documents, and appropriate employee procedures.

Prepaid Postage Account: If Customer chooses to utilize Billtrust paper and mail services, Billtrust will establish a prepaid postage account for Customer. Two (2) months of estimated postage will be billed by Billtrust and must be paid prior to the first live processing of Customer's bills. Bills will not be mailed if Customer has depleted or exceeded its prepaid postage account. If this Agreement is terminated by either party, funds in this account may be applied to Customer's open balance and any amount remaining will be refunded to Customer.

Professional Services: If Professional Services will be conducted at Client's location, Client will reimburse Billtrust's reasonable travel costs and living expenses incurred by Billtrust's employees and subcontractors for travel from Billtrust's offices in connection with the performance of Professional Services

Payment: Billtrust invoices are payable upon receipt. Interest will accrue at the rate of one percent per month (12% per annum) for any balances that exceed thirty (30) days. Payment may be made by company check or ACH.

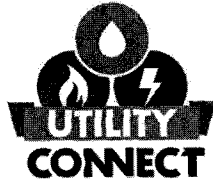
Taxes: All fees charged by Billtrust are exclusive of any sales, use, value added ("VAT"), consumption, receipts and/or other such taxes or duties, however designated (collectively "Taxes"). Customer shall pay these Taxes; except for taxes based on Billtrust's net income, unless Customer provides to Billtrust an appropriate certificate of exemption from the applicable taxing authority.

ACH Payments: This section is applicable if Customer utilizes Billtrust's bank processor for ACH payments from Customer's clients ("Clients") via Online Billing or other Billtrust products. For risk management, the maximum ACH payment allowed is \$2,500 and there is a one (1) business day holding period for processing of ACH returns. Customer agrees to return any funds and hold Billtrust harmless for ACH transactions that are returned from a Client's account. If an ACH transaction is returned after one day ("Reversal"), Billtrust will either deduct this amount from the next scheduled ACH payment to Customer processed by Billtrust or debit via ACH the bank account of Customer. Customer agrees to provide Billtrust an exception to any debit blocks associated with its bank account used to process ACH payments in order for Billtrust to process Reversals. If Billtrust is unable to recover the full amount of the returned funds within three (3) business days, Billtrust may suspend all services under this Agreement until the funds are received. The provisions of this section will remain in force and effect beyond the termination or expiration of this Agreement.

Indemnification and Limit of Liability: Customer agrees to indemnify and hold harmless Billtrust, and its employees, agents, officers and directors, from any third party claims and liabilities, including costs and expenses, as a result of services provided under this Agreement, except to the extent determined to result from the gross negligence or willful misconduct of Billtrust. Customer agrees that Billtrust's maximum liability to Customer for any negligent errors or omissions committed by Billtrust in the performance of services will be limited to direct damages only and the amount will not exceed the Billtrust non-postage fees for services for the six (6) months prior to the event that caused the liability.

Force Majeure: A party shall not be considered in default in performance of its obligations should their execution be delayed by any act or cause, which is beyond the reasonable control of such party.

Billtrust	Customer
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____



Billtrust Utility Connect –Attachment 1
City of West Jordan, UT: 25,000 Bills per Month



Presentment of electronic bills and notices to enrolled web and mobile users (optional)	Per Bill	\$0.12
PDF archive and access for twelve (12) months by City and customer, per year	Per Bill	\$0.01
Extended storage beyond twelve (12) months, per year	Per Bill	\$0.005
Presentment of electronic bills to enrolled online banking users	Per Bill	\$0.35
Payment Made Online and Mobile as well as banking websites (ACH & Visa, MasterCard, & Discover Cards) <i>Does not include Merchant Processor's Fees – Merchant Processing also available</i>	Per Payment	\$0.20



Customer Call into Account Balance and Payment (<i>average call length is 3.5 min</i>) – this charge does not apply if City CSR's take a "live" payment over the phone	Per Minute	\$0.17
Payment Made (ACH & Visa, MasterCard, & Discover Cards) <i>Does not include Merchant Processor's Fees – Merchant Processing also available</i>	Per Payment	\$0.20



and Miscellaneous

Counter Payments Payments processed over the counter.		
ACH & Visa, MasterCard, & Discover Cards <i>Does not include Merchant Processor's Fees – Merchant Processing services also available through Billtrust.</i>	Per Payment	\$0.20
Setup fee for additional forms/billing files after implementation	Per File	\$1,000
Per Hour charge for custom programming	Per Hour	\$150.00

Implementation fees waived

Training provided at no cost

David Zobell

From: Sean Smalley <ssmalley@billtrust.com>
Sent: Tuesday, October 28, 2014 12:31 PM
To: David Zobell
Subject: Re: Agreement

Billtrust will waive the costs associated with your data/template changes as a result of your move to Munis this Spring. Any data/template changes subsequent to the move to Munis will be subject to the pricing in the attachment.

Hope this is sufficient.

Sean

Sean Smalley

Industry Sales Manager | Billtrust

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Email: ssmalley@billtrust.com | Web: www.billtrust.com

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On Mon, Oct 27, 2014 at 7:32 PM, Sean Smalley <ssmalley@billtrust.com> wrote:

Does this work?

On Oct 24, 2014 9:36 AM, "Sean Smalley" <ssmalley@billtrust.com> wrote:

Dave - we'll waive both products if you move now. Can you get me the agreement by next week?

Sean Smalley

Industry Sales Manager | Billtrust

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On Fri, Oct 24, 2014 at 9:13 AM, David Zobell <davidz@wjordan.com> wrote:

Sean, on the pricing sheet you mention that the implementation fee are waived. As I mentioned we are currently on Sun Guard Pentamation and in April of 2015 we plan on moving to Tyler Technologies Munis product. Does that waiver include both products if we move now to BillTrust?

Dave Z.

From: Sean Smalley [mailto:ssmalley@billtrust.com]
Sent: Tuesday, October 21, 2014 8:53 AM
To: David Zobell
Subject: Agreement

Dave - sending this in advance in case you decide to move forward with Billtrust.

Sean Smalley

Industry Sales Manager | Billtrust

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